GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:5815
ANSWERED ON:03.05.2002
SALARY STRUCTURE OF RRB`S EMPLOYEES
C. SREENIVAASAN;M.H. AMBAREESH

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have taken a decision on the salary structure of the employees of rural banks;

(b) if so, the details thereof;

(c) the number of employees of rural banks which would be benefited by this raising of salary structure; and

(d) the total financial burden, the Union Government will have to bear because of revision of pay scales of employees of rural banks?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN)

(a) & (b) : In pursuance of the Hon`ble Supreme Court`s judgementsdated 31st January, 2001 and dated 7th March, 2002, Government have issued orders on 11th April, 2001 and on 17th April, 2002, respectively under second proviso to section 17(1) of the Regional Rural Banks Act, 1976 revising the pay scales ofall the eligible employees of all Regional Rural Banks (RRBs)and granting them pay scales equal to that of their counter parts in commercial banks as on 01.04.2000 by granting the benefits of 6th and 7th bipartite settlements and officers wage revision w.e.f. 01.11.1992 and 01.11.1997 respectively.

(c) : As reported by National Bank for Agriculture & Rural Development (NABARD), approximately 70,000 RRB employees are likely to be benefited by this wage revision.

(d) : There is no immediate direct financial burden on Government of India on this account.It is expected that the RRBs would be in a position to bear the additional expenditure on this account out of their existing resources and by improving their financial position.